

State of South Dakota

SEVENTY-NINTH SESSION
LEGISLATIVE ASSEMBLY, 2004

400J0318

SENATE AGRICULTURE AND NATURAL RESOURCES COMMITTEE ENGROSSED NO. **SB 21** - 01/21/2004

Introduced by: The Committee on Agriculture and Natural Resources at the request of the
Department of Agriculture

1 FOR AN ACT ENTITLED, An Act to revise certain provisions of the South Dakota Family
2 Farm Act.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 47-9A-3.1 be amended to read as follows:

5 47-9A-3.1. The restrictions of §§ 47-9A-1 and 47-9A-3 do not apply to the cultivation of
6 edible fruits, vegetables or mushrooms if such cultivation occurs within a greenhouse or other
7 enclosed or semi-enclosed structure.

8 Section 2. That § 47-9A-3.2 be amended to read as follows:

9 47-9A-3.2. The restrictions of §§ 47-9A-1 and 47-9A-3 do not apply to facilities acquired
10 by a corporation for the purpose of feeding poultry for the production of meat or eggs.

11 Section 3. That § 47-9A-5 be amended to read as follows:

12 47-9A-5. The restrictions of §§ 47-9A-1 and 47-9A-3 ~~shall~~ do not apply to agricultural land
13 and land capable of being used for farming which:

14 (1) Was owned by a corporation as of July 1, 1974, including the normal expansion of
15 such ownership at a rate not to exceed twenty percent, measured in acres, in any



1 five-year period; or

2 (2) Is leased by a corporation in an amount, measured in acres, not to exceed the acreage
3 under lease to such corporation as of July 1, 1974, and the additional acreage required
4 for normal expansion at a rate not to exceed twenty percent in any five-year period;
5 and the additional acreage necessary to meet the requirements of pollution control regulations.

6 Section 4. That § 47-9A-6 be amended to read as follows:

7 47-9A-6. The restrictions provided in §§ 47-9A-1 and 47-9A-3 ~~shall~~ do not apply to a bona
8 fide encumbrance taken for purposes of security.

9 Section 5. That § 47-9A-7 be amended to read as follows:

10 47-9A-7. The restrictions of §§ 47-9A-1 and 47-9A-3 ~~shall~~ do not apply to agricultural lands
11 acquired by a corporation by process of law in the collection of debts; or by any procedure for
12 the enforcement of a lien or claim thereon, whether created by mortgage or otherwise; ~~provided,~~
13 ~~however, that all lands.~~ However, any land so acquired shall be disposed of within ten years
14 after acquiring the title thereto, ~~and further provided that the.~~ In addition, no land so acquired
15 ~~shall not~~ may be used for farming during the ten-year period except under a lease to a family
16 farm unit, a family farm corporation or an authorized farm corporation. The aforementioned
17 ten-year limitation period shall be deemed a covenant running with the title to the land against
18 any corporate grantee or assignee or the successor of such corporation.

19 Section 6. That § 47-9A-8 be amended to read as follows:

20 47-9A-8. The restrictions of §§ 47-9A-1 and 47-9A-3 ~~shall~~ do not apply to gifts of
21 agricultural lands, either by grant or devise, to any corporation organized under chapter 47-22.

22 Section 7. That § 47-9A-9 be amended to read as follows:

23 47-9A-9. The restrictions of §§ 47-9A-1 and 47-9A-3 ~~shall~~ do not apply to ~~a farm operated~~
24 ~~for research or experimental purposes; provided, that any commercial sales from such farm shall~~

1 ~~be incidental to the research or experimental objectives of the corporation~~ any entity that
2 engages in farming primarily for scientific, medical, research, or experimental purposes.
3 However, any commercial sales from such farming shall be incidental to the scientific, medical,
4 research, or experimental objectives of the entity.

5 Section 8. That § 47-9A-10 be amended to read as follows:

6 47-9A-10. The restrictions of §§ 47-9A-1 and 47-9A-3 ~~shall~~ do not apply to agricultural land
7 operated by a corporation for the purpose of raising breeding stock for resale to farmers or
8 operated for the purpose of growing seed, nursery plants, or sod.

9 Section 9. That § 47-9A-11 be amended to read as follows:

10 47-9A-11. The restrictions of §§ 47-9A-1 and 47-9A-3 ~~shall~~ do not apply to agricultural
11 lands acquired by a corporation solely for the purpose of feeding livestock.

12 Section 10. That § 47-9A-12 be amended to read as follows:

13 47-9A-12. The restrictions of §§ 47-9A-1 and 47-9A-3 ~~shall~~ do not apply to agricultural land
14 acquired by a corporation other than a family farm corporation or authorized farm corporation
15 for immediate or potential use in nonfarming purposes. A corporation may hold such
16 agricultural land in such acreage or such form of ownership as may be necessary to its nonfarm
17 business operation; ~~provided, however, that.~~ However, pending the development of agricultural
18 land for nonfarm purposes, such land may not be used for farming except under lease to a family
19 farm unit, a family farm corporation or an authorized farm corporation, or except when
20 controlled through ownership, options, leaseholds or other agreements by a corporation which
21 has entered into an agreement with the United States of America pursuant to the New
22 Community Act of 1968, (Title IV of the Housing and Urban Development Act of 1968, 42
23 U.S.C. 3901-3914), as amended, or a subsidiary or assign of such a corporation.

24 Section 11. That § 47-9A-13 be amended to read as follows:

1 47-9A-13. The restrictions of §§ 47-9A-1 and 47-9A-3 ~~shall~~ do not apply to a family farm
2 corporation or an authorized farm corporation.